

March 5, 2010 Project #: 1009634010

Mr. Gene Shteynberg Connecticut Department of Environmental Protection 79 Elm Street Hartford, Connecticut 06106

Subject: Semi-Annual Site Status Update and Schedule Adjustment Request

Middletown Generating Station Middletown, Connecticut

Dear Mr. Shteynberg:

On behalf of Middletown Power LLC, Shaw Environmental, Inc. (Shaw) has prepared this letter to provide a semiannual site status update for the subject site. In addition, Shaw is providing the Connecticut Department of Environmental Protection (CTDEP) with an updated schedule for continuing environmental activities at the site. Middletown Power LLC and its parent company, NRG Energy, Inc. request the CTDEP to provide written approval of this updated schedule.

2009/2010 ACTIVITIES

The status of environmental activities completed at the site between August 2009 and January 2010 are described below:

- In August 2009, Shaw received the Environmental Protection Agencies (EPA) comments on the Environmental Risk Assessment (ERA) completed by Shaw in February 2009. Although EPA has responded, CTDEP has not responded to the ERA. NRG is waiting for a final response from CTDEP that will incorporate CTDEP and EPA comments.
- Addendum to Remedial Action Plan Repowering Area, AOC 14, and AOC 2 Closure Plan Part 1 CSA, September, 2009. This addendum and the March 2009 Remedial Action Plan (RAP) together constitute Closure Plan Part 1 and follow the "Draft RCRA Closure Plan Guidance for TSD Facilities, CSAs, and Tank Systems" prepared by CTDEP and dated November 1993. In September 2009, a meeting took place between NRG, CTDEP, EPA, and Shaw where it was agreed to that a brief RAP addendum would be prepared to address any needed specifics to close the container storage area (CSA) and meet the requirements of the previously noted "Draft RCRA Closure Plan Guidance for TSD Facilities, CSAs, and Tank Systems".

- In September 2009, CSA soil sampling activities were conducted. Seven soil samples were collected from four borings advanced through the CSA concrete floor. The soil samples were analyzed for Semi Volatile Organic Compounds (SVOCs) (Base/Neutral) by EPA Method 8270 (mass and SPLP), VOCs by EPA 8260, CT-ETPH, 9 Metals by EPA 6000/7000 (mass and SPLP), and PCBs by EPA Method 8082.
- Addendum to Remedial Action Plan Repowering Area, AOC 14, and AOC 2 Closure Plan Part 2 and Part 3 CSA, October, 2009. Shaw submitted this addendum to the CTDEP in order to meet the intent of the RCRA Closure Plan Part 2 and Part 3 (CPP 2 and CPP 3). This report summarized the September 2009 CSA soil sampling activities and concluded that the extent of the impact in the CSA requiring remediation is limited to the CSA concrete floor and as a precautionary and conservative measure, the concrete floor of the entire building that the CSA is located in will be removed and properly disposed of at a permitted disposal facility. CTDEP approved CPP 2 and CPP 3 in November 2010 and Public Notice activities were completed in January 2010.
- Phase III Investigation Final Report, November 2009, Shaw submitted Phase III Investigation Report to the CTDEP which presents a fully developed CSM for each AOC based on all available data collected from the site, and based on the CSM, identify areas that require further investigation and/or remediation in order to meet the Connecticut Remediation Standard Regulations (RSRs). The CSM for each AOC identifies the nature of the release, the nature of the contaminants, transport mechanisms, migration pathways, and sensitive receptors. For each AOC, this report identifies if remediation is required in order to meet the RSRs or if compliance is currently demonstrated.
- In December 2009, the NRG repowering project (RP) main excavation was initiated. As described in the March 2009 RAP, the RP project includes the installation of jet turbine engines, ASTs and other structures as well as clean cover material or asphalt in the area. As part of the RP activities, impacted soil has been temporarily excavated and stockpiled at the site. Note that based upon an evaluation of soil handling options, Shaw proposed that the excavated impacted soil could be permanently placed in the Setting Basins at the site. Approval of this option was received from CTDEP Remediation section on February 18, 2010.
- In January 2010, Shaw submitted a registration for the General Permit for Contaminated Soil
 Management for the stockpile of excavated soil from the RP project area. Note that an amended
 application was submitted for CTDEP approval on February 26, 2010.

UPDATED SITE SCHEDULE

Outlined below is an updated site schedule that Middletown Power LLC and its parent company, NRG Energy, Inc., expect to follow in the next several years. Note that the site schedule has been adjusted from the August 2009 schedule to enable the completion of the repowering project and expected significant remedial activities at AOC 1. In addition, the site schedule has been adjusted to facilitate completing closure of the CSA – AOC 14 using RCRA closure guidance after CTDEP revised its previous direction on the appropriate closure method for this unit.

Activity	Anticipated Date
Complete CSA Closure Certification Report	Spring 2010
Complete Remedial Action Plan Completion Report – AOC 2 and	Summer 2010
Repowering Area	
Submit Final RAP with Engineering Control Submittal	Summer 2010
Complete RAP Public Notice	Fall 2010
Initiate RAP (i.e., start of final remediation)	Spring 2011
RAP Complete (i.e., construction complete)	summer 2011
Post Remediation Monitoring	2012

It should be noted that dates following the submittal of the RAP Completion Report – AOC 2 & RP Area are contingent on CTDEP review and approval of an Engineering Control and resolving remaining outstanding ERA issues between NRG/Shaw and CTDEP/EPA.

NRG will continue to provide updates on the status of response actions at the subject site on a semi-annual basis as requested by CTDEP. Plans, submittals, and reports will be copied to the USEPA.

If you have any questions regarding this letter or any other matter, please do not hesitate to call Andrew Walker at 617.589.6143.

Sincerely,

Andrew D. Walker, LEP, LSP

A. Walkin

Project Manager

The Shaw Group Inc.®

cc: Mr. Robert Spooner, Middletown Power LLC

Mr. Ed Keith, NRG Mr. Juan Perez, USEPA